

International Uranium Corporation: Mining Operations Commence at Rim Mine

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SECOND MINE TO BE OPENED - TARGETED PRODUCTION OF 1 MILLION POUNDS OF URANIUM AND 4 MILLION POUNDS OF VANADIUM ON SCHEDULE

International Uranium Corporation ("IUC") is pleased to announce that mining operations have commenced at the Company's **Rim Mine in Utah**. Similar to the Sunday Mine, where IUC has been mining since October 1997, the Rim is a uranium mine that also contains high grades of vanadium, a metal used in steel production. Treating vanadium as a credit to the cost of uranium production, and **with vanadium trading at a nine year high** of almost US \$7.00 per pound, both the Rim and Sunday mines are among the lowest cost uranium mines in the industry. IUC is evaluating the feasibility of bringing additional mines into production in this area.

The Rim Mine is located just west of the Utah/Colorado border, about 25 miles west of IUC's Sunday Mine, located in Colorado, and 45 miles north of IUC's White Mesa Mill, near Blanding, Utah. Plans are to ramp up mining operations at the Rim Mine until a production rate of 2,000 tons per month is achieved, which is expected to occur in May, 1998. This ore production rate is equivalent to 8,000 pounds of uranium and 60,000 pounds of vanadium per month. Total monthly production from IUC's current mining operations is targeted at 10,000 tons per month which is roughly equivalent to 45,000 pounds of uranium and 275,000 pounds of vanadium. With production from the Rim Mine as well as production from all other sources, including the Sunday Mine, purchased ore, and alternate feed, IUC expects to produce 1 million pounds of uranium and 4 million pounds of vanadium in 1998, increasing to 1.5 million pounds of uranium and 7 million pounds of vanadium in 1999.

IUC is stockpiling the ore at its White Mesa Mill and will continue to do so until July or August of this year. By that time, the Mill will have completed its run of alternate feed, which has been in progress since June 1997, and will then begin to process, over the next nine to twelve months, this stockpile of conventional ore as well as ore produced from continuing mining operations.

Headquartered in Denver, Colorado, IUC is engaged in the business of producing uranium concentrates and the selling and trading of these concentrates in the international nuclear fuel market. As a co-product to its uranium production, IUC also produces vanadium and other metals, such as tantalum and niobium.

ON BEHALF OF THE BOARD

"Earl E. Hoellen"

President

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